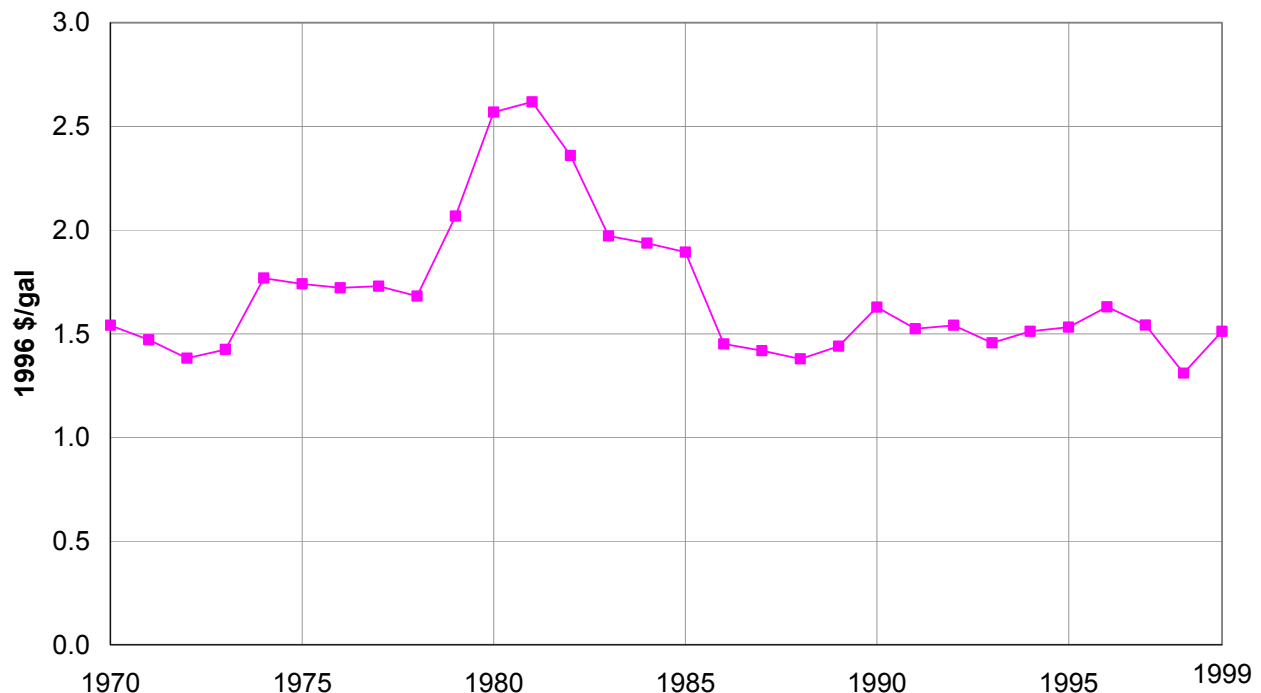


22. Energy Price Trends — Washington Gasoline Prices Since 1970

Washington State Gasoline Prices (1970-1999)



Source: EIA Annual Energy Review,

ADJUSTED FOR INFLATION, GASOLINE PRICES IN WASHINGTON IN 1999 ARE SIMILAR TO PRICES IN 1970 PRIOR TO THE OIL CRISIS. THESE PRICES ARE MUCH LESS THAN THE PRICES RESULTING FROM THE OIL CRISIS IN THE EARLY 1980S.

After peaking at more than \$2.50 per gallon (1996 dollars), inflation-adjusted gasoline prices returned to pre-oil crisis levels by the mid-1990s. In 1998, gasoline prices fell to their lowest level in this 20-year period, but rose again in 1999, reflecting world oil prices.

The dominant trend in gasoline prices in Washington has been relative stability with the exception of the 1973-1985 period of OPEC unity. The majority of petroleum for Washington comes from Alaska and most of this petroleum is refined into gasoline in Washington, but the price we pay for gasoline is influenced by world oil prices. Adjusted for inflation to 1996 dollars, a gallon of gasoline cost \$1.54 in 1970, \$2.57 in 1980, \$1.63 in 1990, and \$1.51 in 1999. Gasoline prices in Washington tend to be a little bit higher than the national average.